



November 18, 2016

Mr. Tom Weiner, Community Development Director
City of Walnut
P.O. Box 682
Walnut, CA 91788-0682

Dear Mr. Weiner:

Subject: Amended Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1) (E), the City of Walnut Successor Agency (Agency) submitted an amended Recognized Obligation Payment Schedule for the period January 1, 2017 through June 30, 2017 (ROPS 16-17B) to the California Department of Finance (Finance) on October 3, 2016. Finance has completed its review of the Amended ROPS 16-17B.

Based on a sample of line items reviewed and application of the law, Finance has made the following determinations:

- Item No. 11 – 2013 Tax Allocation Bond for the requested adjustment of \$155,825 in Redevelopment Property Tax Trust Fund (RPTTF) funding is partially allowed. The indenture requires the annual debt service amount of \$3,611,650 and the amount of \$3,488,825 has been previously approved for ROPS 16-17B. Therefore, the total amount authorized for the item has been increased by \$122,825 (\$3,611,650 - \$3,488,825). However, of the requested \$155,825, \$33,000 is not eligible for RPTTF funding.
- The Agency requested funding for items Finance denied as enforceable obligations on the Agency's ROPS 16-17. HSC section 34177 (o) (1) (E) states that an agency may only amend the amount requested for payment of approved enforceable obligations. Therefore, funding is not allowed on the Amended ROPS 16-17B and Finance continues to deny the items listed in the table below.

Item No.	Project Name/Debt Obligation	RPTTF
13	CalPERS – Unfunded Liabilities	\$82,000
15	CalPERS – Unfunded Liabilities	\$3,492

The Agency's amended maximum approved RPTTF distribution for the ROPS 16-17B period is \$3,737,900 as summarized in the Approved RPTTF Distribution table on Page 3 (See Attachment).

Please refer to the ROPS 16-17B schedule used to calculate the total RPTTF approved for distribution:

<http://www.dof.ca.gov/redevelopment/ROPS>

This is Finance's determination related to the funding of enforceable obligations reported on your Amended ROPS 16-17B. Please note there is not a Meet and Confer option for the Amended ROPS process so Finance's determination is final. Finance's determination is effective for this time period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if it was not denied on this Amended ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of the redevelopment dissolution statutes. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Kylie Oltmann, Supervisor, or Zuber Tejani, Lead Analyst, at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Program Budget Manager

cc: Ms. Cheryl Murase, HdL-Fiscal Consultant, City of Walnut
Ms. Kristina Burns, Manager, Department of Auditor-Controller, Los Angeles County

Attachment

Approved RPTTF Distribution	
For the period of January 2017 through June 2017	
Authorized RPTTF on ROPS 16-17B	\$ 3,490,075
Authorized Administrative RPTTF on ROPS 16-17B	125,000
Total Authorized RPTTF on ROPS 16-17B	3,615,075
Total Requested 16-17B RPTTF Adjustments	241,317
Finance RPTTF Adjustments	
Item No. 11	(33,000)
Item No. 13	(82,000)
Item No. 15	(3,492)
	(118,492)
Total Finance Authorized 16-17B Adjustments	122,825
Total Amended ROPS 16-17B RPTTF approved for distribution	\$ 3,737,900